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27 January 1954

MEMORANDUM TO FILE

FROM :

25X1

SUBJECT: Discrepancy in Contract XG-894; Project E-5250.

1. Item MW 2054-22 of Contract XG-894 describes the multiplexing and patching facilities initially intended to be installed at [] Division #2 of the system. This item reads as follows: 25X1

(a) Equipment now at [] to be removed and reinstalled at this [], any additional material required to be supplied by the Contractor. 25X1
25X1

(b) Necessary patching facilities.

Total item cost \$1,042.92

This cost, therefore, includes the materials necessary to modify the equipment removed from [] and re-installed at [] and the materials involved in the patching facilities at [] 25X1
25X1

2. During the course of installation, it became evident that this equipment at [] was not available for relocation at []. To solve our needs, a similar type equipment was taken from a Stockpile system and was installed at []. This new equipment required no modification to fit our communications needs. 25X1
25X1

3. It becomes apparent, therefore, that the figure of \$1,042.92 should be reduced by the amount of the modification costs and Item MW 2054-22 should only include the cost of the patching facilities at []. This matter was brought to the attention of [] 25X1
25X1
but as yet there has been no action taken on the subject.

[]
Project Engineer 25X1

js

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